

Status of Audit Resolution

December 2001

Agency: 540

Employment Security Department

Audit Number	Finding Number
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6233	1	Finding:	Controls over accounts receivable and the safeguarding of related cash receipts need improvement.
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Resolution/Status: The Employment Security Department (ESD) concurs with this repeat finding and has taken the following corrective action:

- ## Modified the GUIDE and TAXIS systems to ensure the subsidiary accounts receivable ledgers roll up and agree with control account totals. The account totals are posted to the Agency Financial Reporting System.
- ## Studied the feasibility of performing reconciliations between TAXIS accounts receivable activity and cash journals, bank deposits and other agency records. ESD has determined that these reconciliations cannot be accomplished with the agency's current system and budget constraints.

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Audit Number	Finding Number		
6233	2	Finding:	The Employment Security Department did not comply with regulations for allowable and allocable costs for the Unemployment Insurance, Wagner-Peyser and WorkFirst programs.
		Resolution/Status:	The Employment Security Department does not concur with this finding but has taken the following corrective action: <ul style="list-style-type: none">Assigned codes to automatically allocate time for several staff providing agency-wide services. Previously these staff members manually allocated their time charges. These automatic allocations are under the agency's approved cost allocation plan,Conducted workload counts to monitor and support time charging for affected staff in accordance with federal requirements,Distributed an agency-wide memorandum reiterating proper time reporting practices, andConsulted with federal Department of Labor (DOL) about reasonable and acceptable ways to account for payroll costs charged to federal funds. The DOL representative was unable to provide advice regarding this issue. The DOL audit resolution process is still pending.

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Audit Number	Finding Number		
6253	1	Finding:	Public funds were misappropriated and travel vouchers were falsified at the Corrections Clearinghouse Unit.

Resolution/Status: Finding of fraud. Refer to page 59.

Employment Security Department

6253	2	Finding:	Public funds were misappropriated and travel vouchers were falsified in the General Aptitude Test Battery program at the Corrections Clearinghouse Unit.
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Resolution/Status: Finding of fraud. Refer to page 60.